

January 2011

Highlights

Internal Audit Report to the
Board of Supervisors

Why We Did This Review

Every three years, Arizona courts are required to have an independent Minimum Accounting Standards (MAS) review.

The MAS review is an Agreed-Upon Procedures engagement in which an independent accountant performs standard audit procedures set forth by the Supreme Court of Arizona, Administrative Office of the Courts (AOC).

Minimum accounting standards were developed to standardize accounting practices and procedures, and to assist court personnel in bringing financial operations into compliance with statute and generally accepted accounting principles (GAAP).

Our review assists the AOC in evaluating each court's compliance with MAS. The AOC is responsible for following up on all exceptions.

We conducted this review as part of our FY 2011 Board-approved audit plan. Our work was performed in accordance with generally accepted government auditing standards, as well as standards established by the American Institute of Certified Public Accountants.



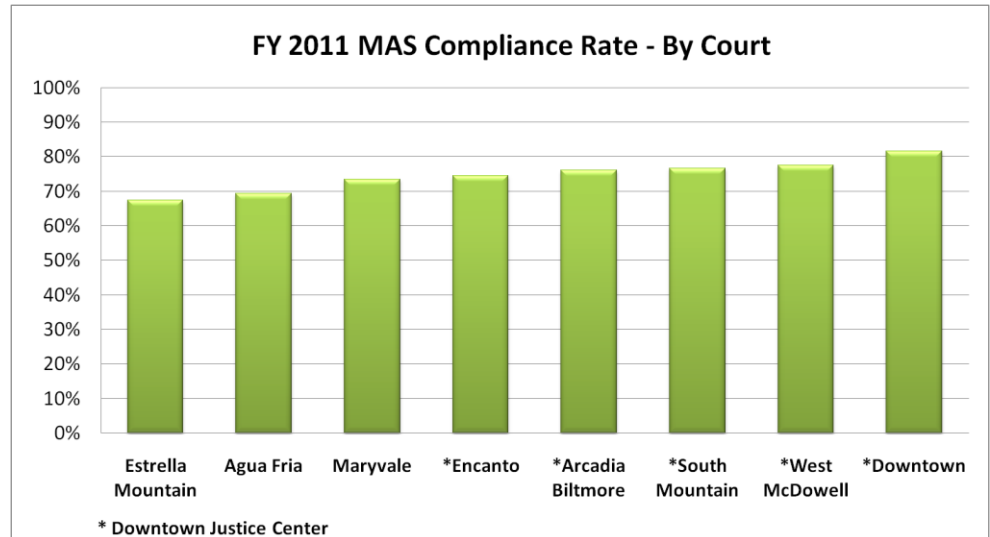
For more information, please contact
Richard Chard, Deputy County Auditor, at
602-506-7539 or rchard@mail.maricopa.gov

Justice Courts Accounting Review

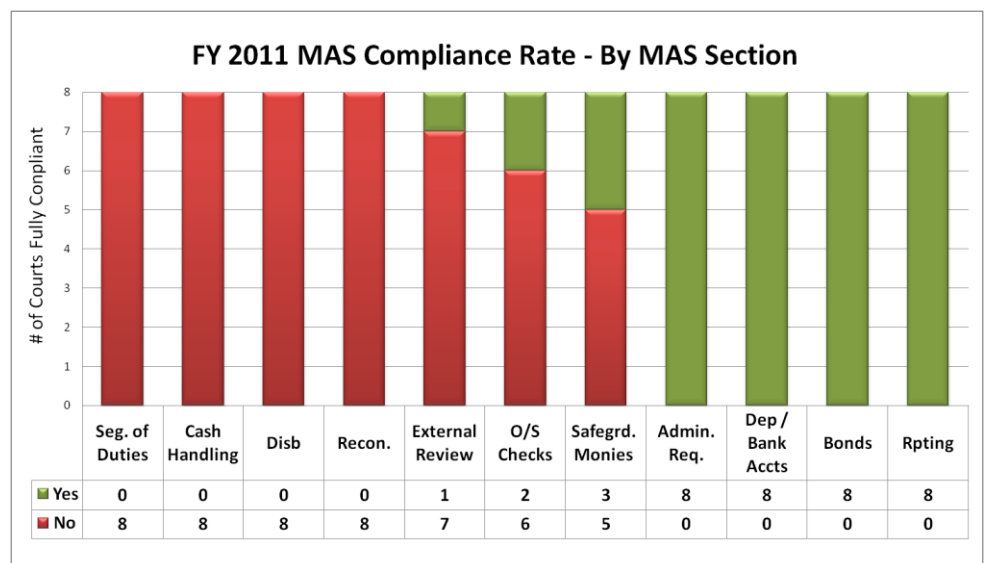
Minimum Accounting Standards (MAS) Agreed-Upon Procedures Review

What We Found

We reviewed eight Justice Courts. Five of the courts were located at the Downtown Justice Center and the others were at stand-alone locations. MAS compliance rates ranged from a low of 67% at Estrella Mountain Justice Court to a high of 82% at the Downtown Justice Court, as shown below.



Below is a chart reflecting the 11 MAS areas reviewed, along with the number of courts not fully compliant in each area (depicted in red). As shown, most exceptions were related to segregation of duties, cash handling, disbursements, and reconciliations of financial records. Exceptions of this type increase the risk that errors and/or fraud could occur and go undetected.



We appreciate the excellent cooperation received from Justice Court management and staff while conducting this review.

"Do the Right Things Right!"

Maricopa County Internal Audit Department